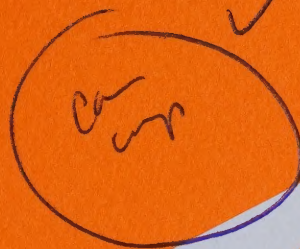


AR26

Sun Publishing Company Limited



1971 Annual Report

OFFICERS OF THE COMPANY

EXECUTIVES

CLAYTON B. DELBRIDGE, *Chairman of the Board*
G. MAXWELL BELL, *President*
RICHARD S. MALONE, *Executive Vice-President*
J. STUART KEATE, *Vice-President*
JOHN J. ROONEY, *Secretary-Treasurer*

DIRECTORS

G. MAXWELL BELL
RONALD L. CLIFF
LAWRENCE DAMPIER
CLAYTON B. DELBRIDGE
JOHN L. FARRIS, Q. C.
BRUCE HUTCHISON
STUART KEATE
JOHN MacD. LECKY
RICHARD S. MALONE
BRUCE L. RUDD
JOHN W. TOOGOOD
R. HOWARD WEBSTER

BANKERS

THE BANK OF NOVA SCOTIA

AUDITORS

PRICE WATERHOUSE & CO.

SOLICITORS

FARRIS, FARRIS, VAUGHAN,
WILLIS & MURPHY

TRANSFER AGENTS AND EXECUTIVE OFFICES

SUN PUBLISHING COMPANY LIMITED
2250 GRANVILLE STREET
VANCOUVER 9, B. C.

AR26

SUN
PUBLISHING
COMPANY
LIMITED

INTERIM REPORT FOR 6 MONTHS
ENDED JUNE 30, 1971

SUN PUBLISHING COMPANY LIMITED

To our Shareholders:

Income of the Company for the first six months of 1971 as shown on the enclosed unaudited statement amounted to \$1,112,743.

Approximately 75% of the Company's income is derived from its equity in the earnings of Pacific Press Limited. As shown on the statement, earnings from this source in the first six months of 1970 were almost negligible due to the shutdown of the newspapers for three months of the period.

Our 1971 equity in the earnings of Pacific Press Limited of \$911,662 compares favourably with the more meaningful 1969 six month's figure of \$934,300.

The net income per share amounted to \$1.48 in 1971, 38¢ in 1970 and \$1.81 in 1969. Included in the 1969 income were extraordinary profits on sales of securities of 36¢ per share.

Regular dividends were paid in March and June and have been declared for payment in September, 1971.

On behalf of the Board,

C. B. Delbridge

C. B. Delbridge, Chairman

Vancouver, Canada, August 5, 1971

SUN PUBLISHING COMPANY LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF INCOME AND INCOME RETAINED IN THE BUSINESS FOR THE SIX MONTHS ENDED JUNE 30

	1971	1970	1969
Income from Pacific Press Limited:			
Equity in net earnings for period ended June 30	\$ 911,662	\$ 3,669	\$ 934,300
Debiture interest	27,500	41,250	68,750
Other dividends and interest income	323,282	296,692	208,100
Profit (loss) on sale of marketable securities	(26,424)	56,660	275,122
	<u>\$ 1,236,020</u>	<u>\$ 396,271</u>	<u>\$ 1,486,272</u>
Deduct:			
Loss on operations — California	350	1,474	1,141
Administrative expenses, including directors' fees of \$8,000	34,577	31,278	32,194
Income before deducting income taxes	<u>\$ 1,200,993</u>	<u>\$ 365,519</u>	<u>\$ 1,452,937</u>
Deduct:			
Income Taxes	88,250	78,750	45,000
Income for the period	<u>\$ 1,112,743</u>	<u>\$ 286,769</u>	<u>\$ 1,407,937</u>
Income retained in the business at the beginning of the year	<u>\$ 20,183,649</u>	<u>\$ 19,353,521</u>	<u>\$ 17,377,758</u>
	<u>\$ 21,296,392</u>	<u>\$ 19,640,290</u>	<u>\$ 18,785,695</u>
Deduct:			
Dividends:			
Class "A" Shares	\$ 187,500	\$ 187,500	\$ 159,375
Class "B" Shares	168,750	168,750	140,625
	<u>\$ 356,250</u>	<u>\$ 356,250</u>	<u>\$ 300,000</u>
Income retained in the business at June 30	<u>\$ 20,940,142</u>	<u>\$ 19,284,040</u>	<u>\$ 18,485,695</u>

Note: Subject to audit

SUN PUBLISHING COMPANY LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE SIX MONTHS ENDED JUNE 30

	1971	1970
Source of Funds:		
Earnings:		
Net income for the period	\$ 1,112,743	\$ 286,769
Partial redemption of Pacific Press Limited Debiture	<u>500,000</u>	<u>—</u>
	<u>\$ 1,612,743</u>	<u>\$ 286,769</u>
Deduct:		
Portion of net earnings in Pacific Press Limited which was not distributed by way of dividends	104,950	—
	<u>\$ 1,507,793</u>	<u>—</u>
Dividends from Pacific Press Limited in 1970 in excess of equity in net earnings	—	188,331
Reduction in investments and other assets	8,363	8,853
	<u>\$ 1,516,156</u>	<u>\$ 483,953</u>
Application of Funds:		
Dividends	356,250	356,250
Increase in working capital	<u>\$ 1,159,906</u>	<u>\$ 127,703</u>
Working capital at January 1, 1971	12,630,215	11,716,816
Working capital at June 30, 1971	<u>\$ 13,790,121</u>	<u>\$ 11,844,519</u>

Note: Subject to audit

AR26

HOME EDITION

SEPT
1970



DRAMA
AT SEA

See Pages 2-3

THE SUN/THE PROVINCE/PACIFIC PRESS LIMITED

Chatterbox

Art Smart, general advertising, had more than an ordinary interest in the recent British Commonwealth Games in Edinburgh, Scotland — his son, Bill, was a participant. And Bill, a well-known local track star, came through by winning a bronze medal for Canada in capturing third spot in the 800-meter event. His medal was presented to him by Prime Minister Heath.

Former Sun wholesaler *Drake Cummings* suffered severe injuries in a car crash near Cache Creek. His car, which tangled with a huge auto carrier, was a write-off. . . . *Big Joe Wall*, retired pressman, recently slipped away from his Sechelt peninsula hideout, to renew acquaintances over lunch in the cafeteria. . . . During the plant shutdown, *Alex Glenn*, Province circulation, set up a retail stall at the Caledonian Market on Howe Street with the apt name "The Clutterbox". . . . *Dorothy Corlett*, Sun editorial secretary, got into some classy company when she entered the recent women's Closed golf tournament in Victoria.

Charlie Wolverton, Province editorial, has been seen cruising around on a bicycle. Does this make him a leg-man? *Rae Newell*, payroll, found that troubles didn't come singly. She broke a bone in her ankle this spring and later suffered a nasty gash in her leg.

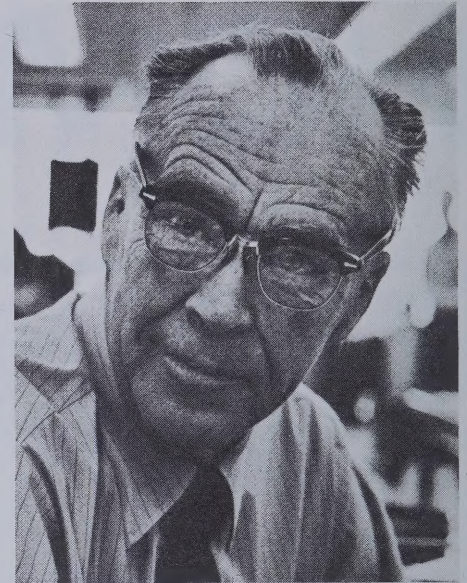
Dave Stinson, executive assistant to the general manager, is the proud father of twin boys, born to his wife Diane on July 9. It appears the new arrivals are going to be big fellows like their

dad—Andrew Grant weighed in at 8 lbs. 6 oz. and Harold Craig at 7 lbs. 10 oz. . . . *Charlie Paulsen*, Province editorial, and his wife have a new daughter, Paula.

Our carpenters recently completed a new-look newspaper depot at Thirty-third and Main. It looks smart and should help upgrade the acceptance of these buildings. *Ken Brown*, *Ray Linnett*, *Willi Junker* and *Joe Johnson* all had a part in the project.

New artist in the Province retail advertising department is *Lew Saw*. Most staff members have already seen samples of his work in the cartoons which spruce up our pension plan booklet. . . . Composing's *John Dorman* basked in reflected glory when his cousin's daughter Janice won the famous bathtub race from Nanaimo to Vancouver. Her 15-year-old brother Brian copped third place. . . . *Alex Hughan*, pressroom foreman, has a justifiable beef about people who carelessly drop celluloid coffee spoons or sticks, paper clips etc. on stairways. They can easily cause a bad fall. . . . Sun photographer *Deni Eagland* probably won't want any more boating assignments—on his last one, the brand-new speedboat being featured hit a deadhead at high speed.

Sheila Dale, formerly secretary in Supplies and Service, has moved up to the third floor where she now is secretary to Province managing editor *Merv Moore*. . . . Some employees may be slow in telling the Personnel Department about status changes which affect medical coverage etc., but not *Lance Dier* in Sun retail. Wishing to have a new daughter included in his coverage, he was asked by *Gertrude McNeill* for Astrid Katharine's birth date. "She was born at 6:30 this morning," replied the new father. The office clock showed it was just 9 a.m.



JACK MCLEOD brings a lot of newspaper experience to his new position as head of The Sun's rewrite desk. Now in his seventeenth year with The Sun, he began his news career in Calgary in 1937.

Our cover

The collision of the Russian freighter *Sergey Yesenin* and the B.C. ferry *Queen of Victoria* in Active Pass was one of the most dramatic news stories during August. Our front page picture, taken by Province photographer *Gordon Croucher*, shows the two ships locked together shortly after the crash and was requested and used by news services and TV networks. *Ross Kenward* of *The Province* and *Brian Kent* of *The Sun* also were on the scene early and their pictures were featured in special pages of both papers. See also *Bob McConnell's* story on Page 3.

HOME EDITION

Vol. 6 Number 3

Home Edition is published monthly at 2250 Granville Street, Vancouver 9, B.C., for employees of *Pacific Press Limited*, *The Sun* and *The Province*.

Editor — *Les Cummings*

SEP 11 1970

All very serendipitous

By BOB McCONNELL
Province Editorial

How, they asked, did you get aboard the Queen of Victoria so soon after it collided with the Russian freighter in Active Pass?

Well, suh, it was all very serendipitous.

I came strolling out of our summer cabin on Mayne Island about noon, contemplating nothing more strenuous for the next couple of hours than digesting a large breakfast of bacon and eggs and wild mushrooms. I had not shaved for three days and the shirt I had on was so gamy it was trying to flap its wings and fly away.

Then I looked up the pass and saw the ferry tucked up against the shore of Galiano Island where it had no right to be. I hustled over to the next-door phone to ask Ian MacAlpine on the city desk if he'd heard of a ferry on the rocks.

While I was persuading Ian to accept the charges and talk to me, the ships began to spin out into the pass. As they swung around I could see they had collided.

Having lost my glasses while making the call, I dispatched my brother to get out in the pass and get some pictures. After a few minutes of groping under the furniture I found my specs and headed for the wharf myself.

I leapt onto a small boat that was going out to the scene and we roared off — for about 100 yards, before the engine sputtered and died.

"Damn," cried my skipper as I visualized drifting around the bay for hours while all the action escaped. "It's been doing that a lot lately."

Fortunately, the engine quit doing whatever it was doing and we got out to the ships in good time. The little boat swung up to the ferry's side and I began to clamber up the ship's ladder in my best intrepid young reporter style. Halfway up I lost my pen, and looked down to discover, to my horror, that my pilot was still holding his boat right below the ladder, so I'd be able to land right on top of him if I fell.

Clearing the next 30 feet in one con-



BOB McCONNELL . . . a little old lady had a pencil.

vulsive lurch, I stumbled onto the ferry's deck and cadged a pencil from a little old lady to go with the tattered old note pad I'd picked up before leaving the island.

After that it was all easy. I dodged enough ferry personnel to check out all the major damage, determined that the skipper wasn't going to talk to me, and then settled down to interview the passengers.

The only tough part was trying to persuade a CBC type from Toronto, who'd been aboard as a passenger and managed to tape an interview with the ship's captain before he realized he shouldn't comment, to let me hear the tape. I dogged the guy on and off for four hours, alternating pleas with promises, before he finally agreed to let us copy the interview.

Meanwhile, back on the island, my wife Kay had learned that I'd boarded the ferry and was in a state of minor shock, sure her darling was going down with the ship. She didn't relax until I got back to the office and

phoned her.

When we reached Tsawwassen, I couldn't persuade the RCMP to let me off the ship until they'd completed their hour-long questioning of the passengers. I still conspired to be first off the ship, and as I came shambling up the ferry slip I stumbled into the arms of a B.C. Ferries patrolman, who'd had a tough hour keeping the crowd of press types at bay.

He recoiled in horror, wrinkling his nose, and demanded for some reason to know what paper I worked for.

"The Province," I replied, and left him standing there shaking his head, his mouth agape.

Once ashore, I found the situation well in hand. Gordon Croucher had superb pictures of the two ships. Ross Kenward stayed at the ferry to get aboard later and photograph the interior damage, and MacAlpine had nearly everyone in the office tying down all the loose ends. I just sat down, collected all the pieces, and watched the story write itself.

Free-loaders and bullet-proof vests

Norm Hacking, Province marine reporter, recently returned to his desk after a year's leave-of-absence in England. He has many stories to tell—and here he recounts a bus trip to Morocco and the people he met.

by Norm Hacking

One of the advantages of living in London is the opportunity for cheap travel. In a typical issue of the Sunday Times, one can find advertised an overland trip by land-rover to Afghanistan; a safari by camel train to the central Sahara; a yachting cruise to the isles of Greece, or in fact, a cheap trip to everywhere but the moon.

So one day when I saw advertised a bargain return trip by through bus from London to Casablanca, Morocco, I picked up the phone and reserved a seat.

I was last in Morocco nearly 20 years ago and I was curious to see if there had been much change since the French left. The English bus travelled by day and stopped at night, and the passengers found their own hotel room. There was a 10-day stopover in Morocco.

Inevitably, after a day or two in a

bus you get to know your fellow-passengers—the nice friendly people from Stoke-on-Trent, the Polish hippie, the little school teacher from Edinburgh. And you also learn who to avoid—the bores and the snobs and the free-loaders.

Unfortunately we had one fellow-passenger who filled all the three latter categories. As soon as Mrs. Maxwell-Smythe boarded the bus at Southampton, I said, "Here comes trouble."

First of all, she snarled at the bus driver because she had been kept waiting for five minutes. Then she snarled at the nice people behind her who had left a coat over her seat. Then she announced loudly that she was a poor lonely widow, thrice bereaved, and that under normal circumstances she would never think of travelling by bus.

Before long, we had her entire life history: how she had been forced out of her estate in Kenya by the Mau Mau, how she found life in England unbearable under the Labor government, and how she hoped to spend the winter with wealthy relatives in Morocco.

It soon became apparent that Mrs. Maxwell-Smythe was flat broke. When the bus stopped for the night, she asked the driver if she could sleep aboard. We felt sorry for her, and slipped her the price of a hotel room.

When we stopped to eat, she would produce a stale bun from her bag and nibble that, so inevitably a soft-hearted passenger would invite her to dine.

It also soon become obvious that she was not averse to finding a fourth husband to solace her lonely hours. At a small hotel in Jerez, Spain, she managed to get the room next to mine. When she heard my footsteps in the



NORMAN HACKING

corridor, she dashed out resplendent in a flaming red wig she had donned for the occasion.

She was dressed in a beaded decollette evening costume that must have wowed the natives of Kenya back in 1930, and suggested coyly that she expected me to take her out to dinner. But, alas, my generosity was wearing a bit thin. She was afraid to go out into the street alone (the old Mau Mau syndrome perhaps) so she dined alone on one of her buns.

For an old lady, she was very nippy on her feet at bus stops, and always managed to sidle up to the bar alongside the free spenders. She preferred champagne brandy, but would settle for a glass of sherry, thank you very much.

By the time the bus had reached Tangier, the passengers knew each other well enough to share a few confidences, and it was then we found that Mrs. Maxwell-Smythe had put the bite on everyone in the bus for a drink, a meal or the price of a hotel room.

There was a bit of a grumble when she was met at Tangier by a chauffeur-driven Rolls-Royce and disappeared over the hills in a cloud of very expensive dust. She left me her engraved

Auger elected

Fred Auger, publisher of The Province, is the newly-elected president of the Canadian Daily Newspaper Publishers Association.

Mr. Auger has been publisher of The Province since 1958. He was publisher of the Winnipeg Tribune from 1951 to 1958.

card and a bank reference as a token of her appreciation.

* * *

While in Tangier we met a young Englishman named David, and his beautiful girl-friend, Tania. They were very much in love.

David had a plane ticket back to London, but Tania couldn't afford the fare. When we told her about our cheap bus she was overjoyed, and quickly charmed the bus driver into giving her a trip to London. David had a heavy suitcase which was overweight for the plane, so Tania brought it with her on the bus and David promised to meet us with his car at the London bus terminal.

Tania quickly sized up the bus passengers and chose as her special companion a young man of about 19 named Charles who had joined the bus at Casablanca. He said he was from Chicago, and his entire luggage was a tiny flight bag.

* * *

The ride back from Morocco to England was carried out in a state of euphoria for most of the passengers—for the bus was a blue haze of 'hash' smoke. Even little Miss McGregor, the demure Scottish school-teacher, was high on grass for the entire trip.

When we reached the English Channel, the bus driver suggested that the passengers quickly smoke the last of their 'grass', for he warned that the British customs would search everything and everyone with a fine-toothed comb.

In fact, the customs inspection was cursory. Charles was asked to open his little bag, which contained only one strange-looking garment.

"What's that?" asked the inspector.

"A bullet-proof vest," said the young man from Chicago. "You need one where I come from."

When we arrived at the London terminal, there was no immediate sign of David.

"Tell him we couldn't wait," said Tania, as she grabbed Charles by the arm, and the two disappeared carrying David's suitcase.

David arrived on the scene two minutes later. When I told him that he had lost his girl and also his suitcase to the young man from Chicago, his handsome face clouded with rage. By his look, I could see that Charles would need that bullet-proof vest.



PRESENTATION was made to Betty Bryce (centre) when she left general advertising after 20 years service. Admiring her gift are Al Sawchuk, Gladys Brown and Gail Gardiner.



HUGE good luck card made by fellow-workers was enjoyed by Province retail advertising artist Murdoch "Mac" Matheson and his wife Elsie at a staff gathering to mark Mac's early retirement. After a trip to the Maritimes, he begins a new artist's career—many staff members have viewed with keen appreciation paintings which Mac has had on exhibition.

In memoriam

Lily Nishi, classified telephone room, died May 3 after a lengthy illness. She had been a member of the classified staff since July, 1968.

* * *

Vince Beresford, composing room, died May 20 following a heart attack. Born in 1906, he joined our staff in 1958 after having worked at the Vancouver News Herald and Sunprinting.

* * *

James Lawson, 64, who joined the Sun composing room in 1951, died June 4. During his many years of Scouting, he won the highest award given to Boy Scout organizers and a few years ago visited Taiwan as a guest of the government. He came to Vancouver after working in New York.

* * *

Gar Macpherson, Sun editorial, died suddenly June 24 after completing a regular day's work in his position as Rewrite Chief. Born Nov. 15, 1906, he joined The Sun staff March 23, 1931, and was head of the Rewrite Desk since 1950.

* * *

Emma Lillian (Bud) Peart, business office, died Aug. 14 after a long illness. She came to our staff in 1959.

Ever been stuck at Tuk?

BY MOIRA FARROW
Sun Editorial

"I was stuck at Tuk".

That phrase, incomprehensible to the rest of the world, is the password to a very exclusive press club.

The Royal Tuktoyaktuk Press Club—to give it its full title—has a total membership of 71. What's more, the membership list is closed and can only get smaller as we survivors of Tuk eventually shuffle off to the Great Newsroom in the Sky.

But to explain the situation.

One night in July the royal tour passed briefly through the Eskimo village of Tuktoyaktuk on the shores of the Arctic Ocean. The Queen, her husband and children spent a few hours there, tried and failed to see the Midnight Sun which was hidden behind clouds, and then flew back to their apartment in Inuvik.

Unforgettable

The press were due to fly back a few minutes behind them. But, as the tour organizers discovered many times during this royal progress across the Northwest Territories, the best laid plans often come unstuck in the Arctic. The press plane developed engine troubles and the reporters, columnists, photographers, television technicians and radio commentators spent an unforgettable night on the floor of the Tuk school house.

It was a long, long night—mostly sleepless, foodless and drinkless. But a few days later, when we'd thawed out, we decided the ordeal had really been quite fun. Besides, everywhere



Photo Ken Oakes

MOIRA FARROW . . . on the Royal tour of the north, the press plane developed troubles.

we went for the rest of the tour, people kept looking at us in awe and asking: "Were you stuck at Tuk?"

So we formed the Royal Tuk Press Club. It has a secret sign and a magnificent club song—composed by Charles Lynch of Southam News Services—which is regrettably too obscure for publication.

Lynch has the informal title of governor-general of Tuk, an honor bestowed on him by all the group, even the French Canadians who had been considering liberating the village. In fact, for the rest of the tour, loud cries of "Vive Tuk-tuk Libre" resounded through the press bus whenever the Montrealers felt life was getting dull.

Most of the details of the press's night in Tuk and the rescue next day by a plane from Edmonton have already been reported. But not quite all of them.

For instance, not even Prince Philip would believe that there wasn't one ounce of booze amongst the whole press corps.

"Must have been rough when the whiskey ran out," His Royal Highness joked next day when the press eventually caught up with the royal family.

What really hurt was that a soft drink company had issued each reporter with a brief case containing an

"Arctic Survival Kit" at the start of the tour. As well as a can of the famous soft drink, each kit contained a generous sample of much more fiery liquid. But every single reporter, thinking that the Tuk trip would last only a few hours, had left his survival kit back at the billet in Inuvik.

Even the CBC man from Montreal, who always wore his survival kit compass on a string around his neck, had forgotten his rye.

So we made do with coffee—when someone finally managed to figure out the workings of the massive school coffee pot in the kitchen.

Phone battle

Most of the night was spent battling over the only telephone line from Tuk to the outside world. Reporters from Canada, the U.S. and Britain, the best of buddies until then, began fierce arguments about whose circulation was the biggest.

Prize for the greatest patience went to Hilary Brigstocke, Ottawa correspondent of the London Times, who sat a few inches from the telephone for four hours awaiting his call.

He was so afraid someone might steal his place on the priority list, painfully worked out by press controller Ian Paterson, that he persuaded another reporter to carry his breakfast to him from the kitchen.

I attempted to sleep on top of the bookcase in the school principal's office and by 6 a.m. I was sure it was the hardest bookcase in the Arctic.

Quick dip

But no one else was any better off on the gymnasium floor. A few people—the type who used to sleep through air raids in the London blitz—did manage to doze off and their horrendous snores ensured that the rest of us stayed awake.

Peter Worthington of the Toronto Telegram used as a pillow his damp towel because he'd been insane enough to take a quick dip in the Arctic when we arrived in Tuk.

He did it only because, like Everest, the Arctic just happened to be there—and he also thought he'd be home to a hot shower in an hour or so.

"I didn't stay in long—not because it was so cold but because I found I was swimming in raw sewage," said

(Continued on next page)

RECIPE for a good time is a reunion of those who have been a part of the Sun's Edith Adams Cottage. Reminiscing recently were (left to right) Home Economist Eileen Norman, Gail (Macpherson) Fromson, Ivy Harper, Myrtle Gregory, Shirley Pinchin (here from Connecticut) and Olga (Jurisin) Hawkes.



Tuk-tuk

(Continued from Page 6)

Worthington afterwards. He dried off in the school house but it was next day before he got that shower.

We were marooned on the edge of the world and that's exactly what it felt like. As soon as the Queen's plane look off, every Eskimo vanished and the village shut up tight. Our only

visitor was a woman with a motheaten wolf skin which she wanted to sell for \$140. She looked very hurt when she got no offers.

All night long we heard rumors of impending rescue. But we at last discovered that there wasn't one plane in the whole of the western Arctic available or serviceable enough to transport us.

Craig Oliver of CBC was all for renting a dog team—merely because he thought it would add tone to his expense account—but there wasn't even enough snow for that.

We solved the lack of food by descending on the local Hudson's Bay store as soon as it opened next day—a day of thick fog and torrential rain.

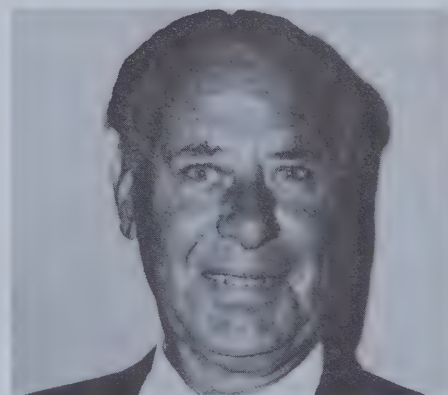
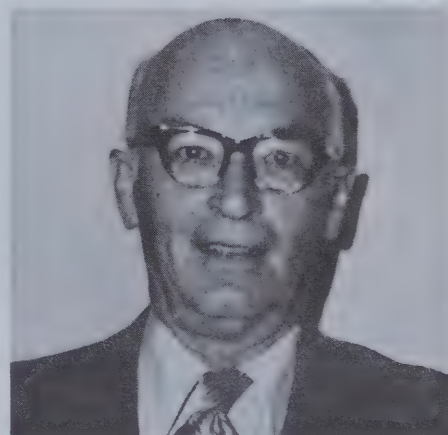
Tuk's store of eggs for probably the next three months was cleaned up and an Anglo-French team of cooks, Maryse Reicher of CBC's French network and Valerie Ferguson of the London Observer, whipped up an excellent breakfast.

Around dawn—not that there really is such a thing in the Arctic—our long distance calls eventually began to come in.

Probably the reporter who got the most memorable reaction from his city desk was Stephen Claypole Smith of the Evening News.

"I'm stuck in this god-forsaken little hole on the Arctic Circle," Stephen told his boss.

"Hard luck, old chap," came the reply from 6,000 miles away. "Better go out and have a stiff drink."



NEW OFFICERS of the Pacific Press Credit union were announced recently. John Dorman (top) was appointed president and Bob McConchie has been elected a member of the Supervisory Committee.

Board chairman dies suddenly

Fred B. Brown, chairman of Pacific Press Ltd. and a director of the Sun Publishing Company, died suddenly on August 21.

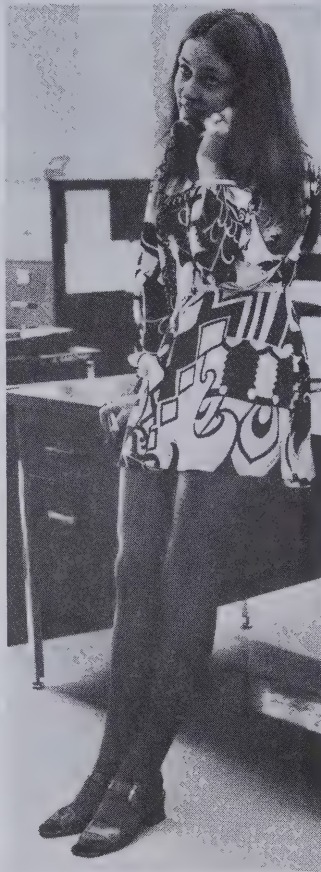
Mr. Brown was a director of many companies and was a pioneer in the logging business of British Columbia.

Born in Brandon, Man., he was educated in Vancouver and entered the logging business here in the early 1920s.

He is survived by his wife Wilma; a daughter, Mrs. R. L. Cliff; four grandchildren and a brother James.



Gail Baxter
Sun advertising



Peggy Rose
Province circulation

Mini, Midi, Maxi? Mini, of course

In true news style, we are objective and we produce the facts.

Mini, midi, maxi?

An independent survey of just about every ink-blooded man in the Sun, Province and Pacific Press has turned up a 100 per cent opinion: dress designers are not really the most disliked professionals in spite of their attempts to dictate style — because they gave us the mini.

Roving photogs Ralph Bower, Gordon Sedawie and Ray Allan — themselves all members of the Royal Order of Concerned Girl Watchers — have pictured some of our staff at work.

But foist the midi on us now! We'd rather fight than change.



Judy Clark
Mail department

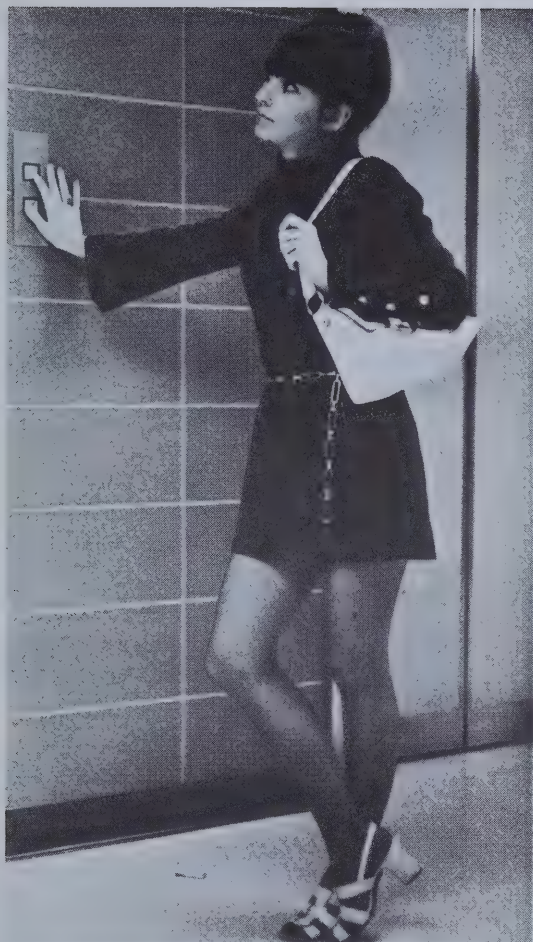


Janice Boychuk
Province advertising

Heather Ion
Province Social



Leslie Plommer
Sun editorial



Joyce Birlie
Edith Adams Cottage



Lorie Parkes
Sun circulation



Mary Ann Knight
Province editorial

Louise Nicholson
Province Spotlight



Brenda Thompson
Receptionist main floor



Sue Mavety
Sun photo



New jobs



DAN ILLINGWORTH has been appointed assistant managing editor of *The Province*. In his new position he will be responsible for co-ordinating all aspects of the night operation of *The Province*. Formerly news editor, he has been with *The Province* for 17 years.

Photo Dave Paterson



TED FAIRFAX, newly appointed news editor of *The Province*, began his service with the company in 1938. He has been deskman and makeup editor. Ted has been active in local militia units and has just completed several terms as president of the Van-Pro Credit Union.

Cafeteria offers new menu

What's cooking in our staff cafeteria?

Plenty — and it's all good.

Cecile Nash, recently appointed manager, enthusiastically points out that a complete new menu has been prepared. Lots of new foods have been introduced — prawns, scallops, shish-kabob, beef stroganoff, waffles and other taste-tickling items.

There's another head cook, too. He is Dave Lewis, a graduate of Vancouver Vocational Institute, who formerly held positions as catering manager for Pacific Stage Lines and head cook and assistant manager at the Red Carpet Cafeteria in the Bentall Centre.

Miss Nash, who holds diplomas from a Dietitian's Assistants course and a Supervisor's course, has worked on many assignments in the catering industry. She had the responsibility of converting the Halifax International Airport restaurant to a cafeteria operation, opened the catering facilities in hospitals in Gander and Corner Brook, Newfoundland, and was supervisor in the Universite de Moncton, N.B.

"Night shifts in our plant are offered a different menu from lunch-time," she says "Food is not re-heated from the noon hour — everything is cooked fresh. We are now able to offer individual soups and soon we are going to feature wine sauces."

Every effort is being made to improve the facilities and service.

Been in the cafeteria lately? You'll like it.

"If someone tells me he adores writing," says Leopold Tyrmand, author of *Notebooks of a Dilettante*, "he's a liar or a graphomaniac. A writer is someone who hates writing and writes to overcome his hate for the blank page."



TENDER, tasty roast gets the expert approval of cafeteria manager Cecile Nash and head cook Dave Lewis. Their know-how has brought a new look to the menu offered to the staff daily.

Painful spill

A one-inch square of wax paper has sent classified's Shirley Fletcher to the doctor—and two months off work.

The little greasy square, a covering for a pat of butter was on the polished cafeteria floor. When Shirley stepped on it, she was thrown against the wall, fell to the floor and fractured an arm and a leg.

Bob McConchie, safety committee chairman, and Cecile Nash, cafeteria manager, have urged everyone to immediately report anything spilled on the floor so that cafeteria staff can clean it up.

Please help to avoid painful accidents.

'Life is absolutely peachy'

Once upon a time there was a man named Snadley Klabberhorn who was the healthiest man in the whole wide world.

Snadley wasn't always the healthiest man in the whole wide world. When he was young, Snadley smoked what he wanted, drank what he wanted, ate what he wanted, and exercised only with young ladies in bed.

He thought he was happy. "Life is absolutely peachy," he was fond of saying. "Nothing beats being alive."

Then along came the Surgeon General's Report linking smoking to lung cancer, heart disease, emphysema and tertiary corcopsis.

Snadley read about The Great Tobacco Scare with a frown. "Life is so peachy," he said, "that there's no sense taking any risks." So he gave up smoking.

LIKE MOST people who went through the hell of giving up smoking, Snadley became more interested in his own health. In fact, he became fascinated. And when he read a W.C.T.U. tract which pointed out that alcohol caused liver damage, brain damage and acute weltanschauung, he gave up alcohol and drank dietary colas instead.

At least he did until The Great Cycamate Scare.

"There's no sense taking any risks," he said. And he switched to sugar-sweetened colas, which made him fat



and caused dental caries. On realizing this he renounced colas in favor of milk and took up jogging which was an awful bore.

That was about the time of The Great Cholesterol Scare.

Snadley gave up milk. To avoid cholesterol, which caused atherosclerosis, coronary infarcts and chronic chryselephantinism, he also gave up meat, fats and dairy products, subsisting on a diet of raw fish.

Then came The Great DDT Scare.

"The presence of large amounts of DDT in fish..." Snadley read with anguish. But fortunately that's when he met Ernestine. They were made for each other. Ernestine introduced him to home-ground wheat germ, macrobiotic yogurt and organic succotash.

* * *

Reprinted by kind permission of the Everett (Washington) Herald. Cartoons by Lew Saw, Province artist.

THEY WERE VERY happy eating this dish thrice daily, watching six hours of color television together and spending the rest of their time in bed.

They were, that is, until the Great Color Television Scare.

"If color tee-vee does give off radiations," said Snadley, "there's no sense taking risks. After all, we still have each other."

And that's about all they had. Until The Great Pill Scare.

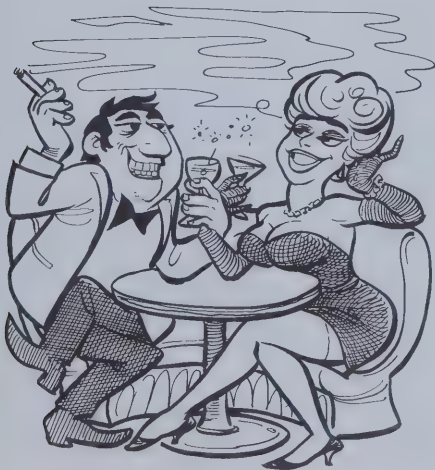
On hearing that The Pill might cause carcinoma, thromboses and lingering stichometry, Ernestine promptly gave up The Pill — and Snadley. "There's no sense taking any risks," she said.

Snadley was left with his jogging. He was, that is, until he read somewhere that 1.3 per cent of all joggers are eventually run over by a truck or bitten by rabid dogs.

He then retired to a bomb shelter in his back yard (to avoid being hit by a meteor), installed an air purifier (after The Great Smog Scare) and spent the next 63 years doing Royal Canadian Air Force exercises and pouring over back issues of The Reader's Digest.

"Nothing's more important than being alive," he said proudly on reaching 102. But he never did say anymore that life was absolutely peachy.

CAUTION: Being alive may be hazardous to your health.





THE DISCOVERER, a one-time edition newspaper put out by Pacific Press for the Burnaby Boy Scouts' Jamboree of Discovery, gets the once-over from Frank O'Neill (left) and Ken Allen who played a major part in its production.

Special edition for Scout Jamboree

If a successful accomplishment means anything, several of our staff members have practically put themselves in the Eagle Scout class.

They combined to put out *The Discoverer*, a one-issue newspaper for the Burnaby Scouts for the week-long Jamboree at Camp Byng where about 600 Scouts from British Columbia and Washington gathered.

Frank O'Neill got the copy from the leaders, edited it, laid out the paper and chose the photographs. Stan Wilson looked after the composing room end of the job, assisted by makeup

men. Artist Sam Aiello sized the pictures and Lloyd Warnock looked after the engraving.

Don McLeod, chief Province photographer, loaned Ken Allen for two days to take pictures at the camp.

It was the first attempt at such a paper and it was a whopping success. The first edition sold out. Our Stereo department had to replate mats the next day and the pressroom ran off another 1,000 copies.

Pacific Press has received many expressions of thanks for its part in the Burnaby Scouts' Jamboree of Discovery.

Puffers (!) lead league

None of our staff soccer teams made it to the World Cup Matches in Mexico this summer but they're having a lot of fun in their own backyard.

The four teams have been playing regularly in spite of the difficulties caused by players away on vacation.

The Pressroom Puffers have clinched the league title with a 4-2 win over the Office Assassins. The Mailroom Mashers and Composing Crushers are tied for second and the Assassins are looking up from the bottom spot.

Bob Hills, goalie for Pressroom Puffers, has had two shutouts which have played a big part in keeping the pressmen out front. Terry Osetsky in the nets for Office Assassins, has the only other shutout.

But games can't be won without goals. Good offensive power has been shown by Brian Roberts, composing; Harry Dether, mailing room; Steve Erickson, office; John Klecker and Terry Holland, pressroom.

The referee's whistle-toting duties have been capably handled each game by Archie Sillis.

The Soccerites will kick up their heels at a season-ending dance Sept. 12.

Writing awards

Three of the six annual awards for journalism offered to daily newspaper writers in British Columbia by Mac-Millan Bloedel Ltd. were won by *Province* staff members. This is a record in the 12th year of the awards.

Bob McMurray, business editor, took the top award of \$500 for writers on B.C. daily newspapers with more than 25,000 circulation.

Norman Hacking, marine editor and Jack Clarke, labor reporter, received honorable mention awards of \$100 each.

Thirteen to join 25th Estate

Thirteen staff members with 25 years service will join their colleagues in The Twenty Fifth Estate at the second anniversary dinners now scheduled.

The dinners are to be held at the Hotel Vancouver. The Pacific Press group will meet on September 19, The Province on October 3 and The Sun on October 24. All these dates are Saturdays.

Joining The Twenty Fifth Estate will be three Pacific Press staffers, four from The Province and six from The Sun. Each will receive a valuable gift from the company.

All employees reaching their fifteenth and twentieth year of service this year will be guests of The Twenty Fifth Estate at the dinners. It is anticipated that attendance at the Pacific Press dinner will be around 190, The Province 75 and The Sun 100.

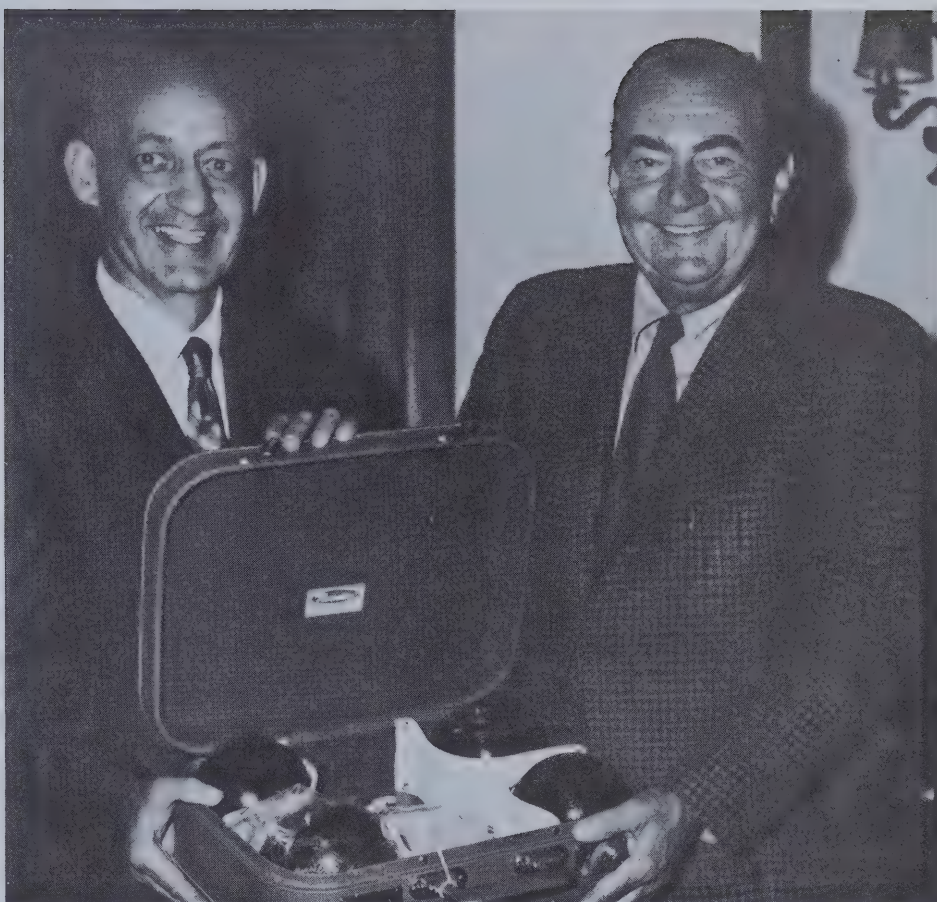
Agreement

Following several months of negotiations, agreement has been reached on a new contract between the Company and Local 210 of the Lithographers and Photoengravers International Union.

The agreement runs from May 1 for 30 months, with increases in scale of 40, 40 and 37 cents per hour in three 10-month periods. The contract provides for 24-hour coverage, in anticipation of the use of the cold type paste-up process.

* * *

The car struck a bridge and beered into the opposite lane of traffic.—St. Louis (Mo.) Post-Dispatch.



George Jones retires

City lawn bowlers will have to look to their laurels — George Jones has retired early from the composing room and will have time to sharpen his game even more.

For years George has been one of the top trundlers in the 10-pin leagues and now he has convinced several of his former bowling associates of the enjoyment in outdoor bowling. Last year he headed his lawn bowling club.

After 22 years on the Vancouver News Herald, George joined our staff in 1955 and was named assistant foreman nightside in 1958.

Company executives and associates met at the Vancouver Lawn Tennis Club recently to wish him the best. Production manager Vic Barber presented George with a set of matched lawn bowling balls and general foreman Don Durno presented his service pin.

BOWLING into early retirement, George Jones (right) leaves behind his printing career for happy days on the bowling green. It won't take him long to give a strenuous workout to the set of bowls presented to him by the company. Even Joe Koshevoy (left) might switch from 10-pins to lawn bowling.

No tree on Granville

It wasn't to be.

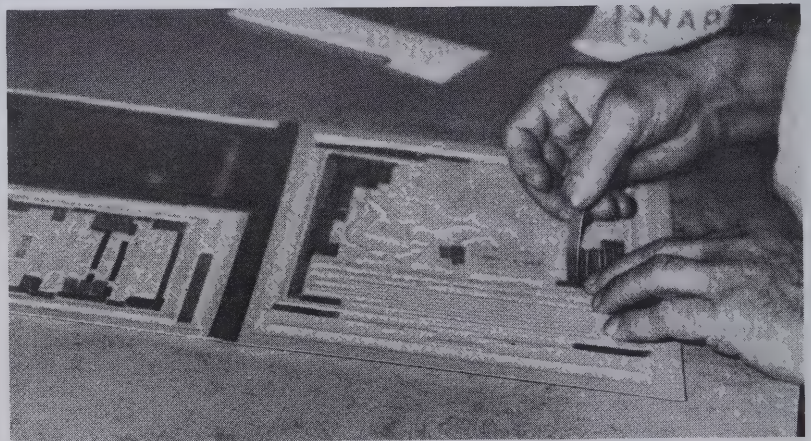
The June Home Edition told the story of the fir seedling, grown to tree size, which had been planted in the garden in front of our building. Hope was expressed that it would take a good hold and grow.

Alas, during the three-month plant shutdown, when the garden could not be watered, the tree quickly dried up in the hot spell. A sharp-bladed axe soon cut it down and now, only the memory remains.



TWO ad mats are taped together to be cast in a single operation.

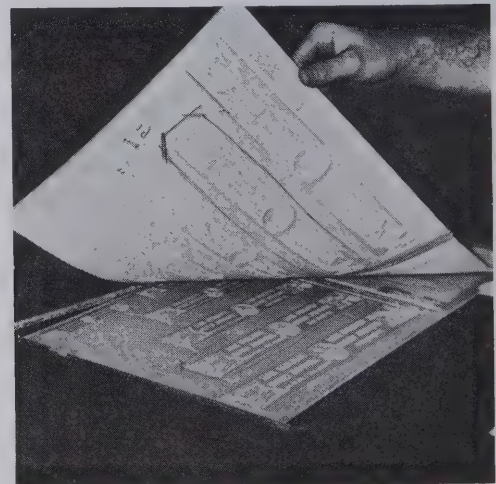
FELT packing is stripped into the cavity of the mat to keep it from coming back to the level of the printing surface, thus causing smudges.



HOT lead from the melting pot is poured over the mat which is now in an upright position.



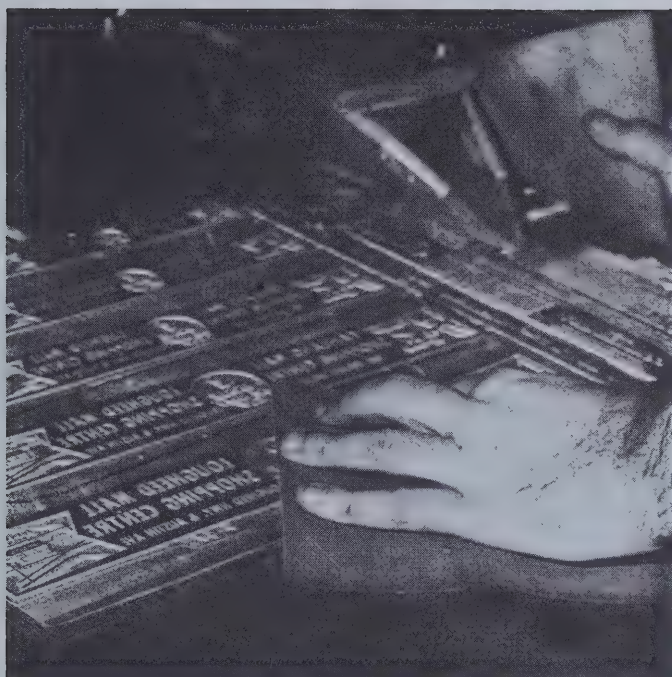
MOULDER is returned to horizontal position and mat is lifted from newly-formed cast.



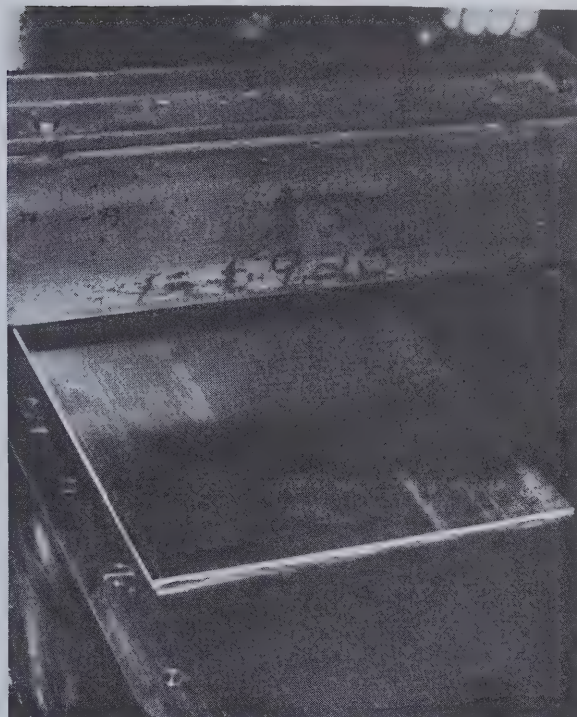
Flat casting

There's more to a newspaper illustration than meets the reader's eye.

Comic strips and a host of advertising and news illustrations are part of the many mats which each day must be made into metal casts by the stereo department. These flat casts then go to composing to be made up with other material into page form.



LARGE cast has just come through the flat shaver which trims it to thickness of .153 inches.

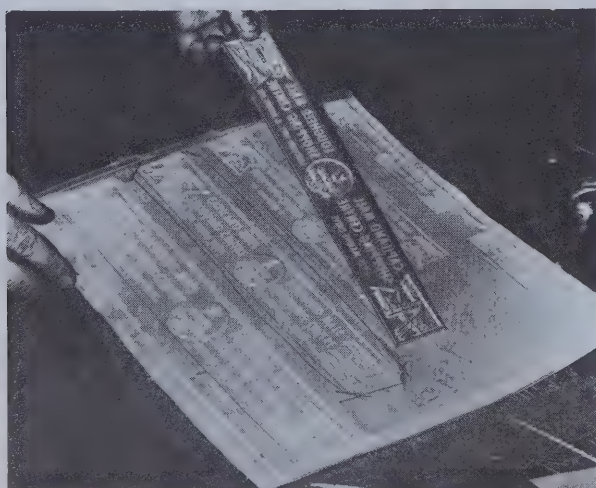


BECAUSE several mats may be cast into one form in a single operation, they must be sawn apart. Metal saw slices the individual casts apart.



FRED RUNDLE is seen in the intricate task of routing high spots off the cast. He removes unwanted metal from the flat cast by operating a drill which can be directed over the surface.

FINAL finishing touches are carefully applied with a chisel.



COMPLETED cast is ready for page make-up.

New Van-Pro officers

Jean Maxwell of the business office is the new treasurer-manager of the Van-Pro Credit Union, succeeding Gerry Langdon who is moving to the Canary Islands.

The credit union has been operating since 1945.

Mrs. Maxwell, a former president of the Van-Pro group, has had many years experience in credit union work.

The credit union also has several other new officers. Lorne Elliott, composing, is the new president and Bob Haining, pressroom, moves up to the vice-president post. New directors include Ron Thibault, Province advertising; Alf Trigg, composing; and Ron Bannister, engraving. Chris Bezanson, payroll, joins the supervisory committee.



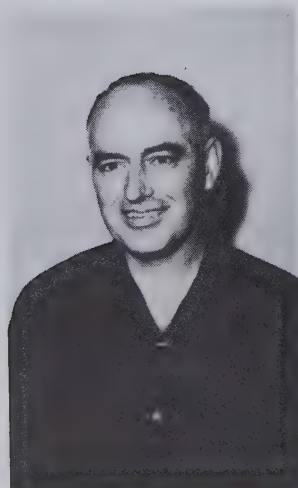
*Bob Haining
vice-president*



*Jean Maxwell
treasurer-manager*



*Chris Bezanson
supervisory committee*

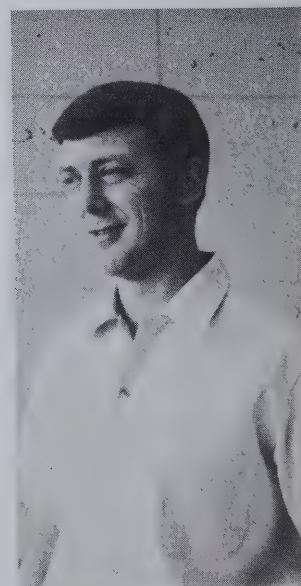
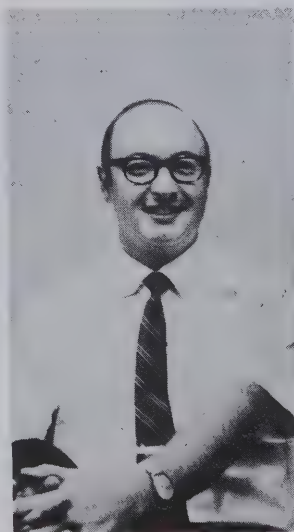


*Lorne Elliott
president*



*Alf Trigg
director*

*Ron Thibault
director*



*Ron Bannister
director*



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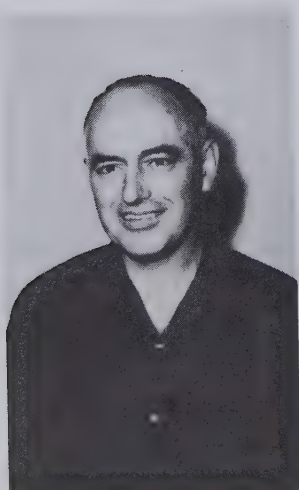
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Jean Maxwell
treasurer-manager

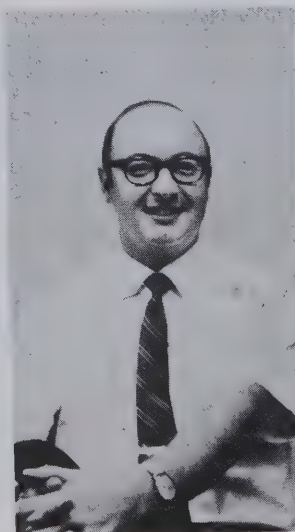


Lorne Elliott
president



Alf Trigg
director

Ron Thibault
director



Ron Bannister
director



Sun Publishing
Company Limited

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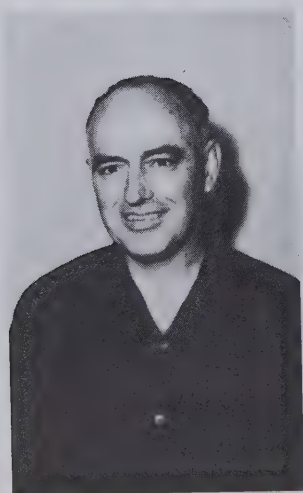
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Jean Maxwell
treasurer-manager

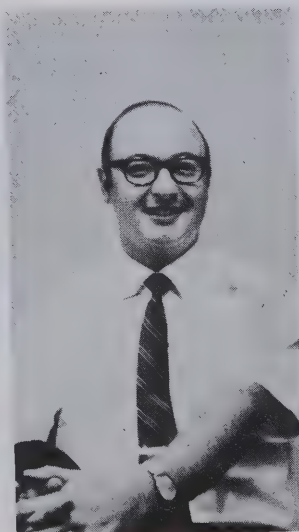


Lorne Elliott
president



Alf Trigg
director

Ron Thibault
director



Ron Bannister
director



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OFFICERS AND DIRECTORS OF THE COMPANY

OFFICERS

Clayton B. Delbridge Chairman of the Board
G. Maxwell Bell President
Richard S. Malone Executive Vice-President
Stuart Keate Vice-President
John J. Rooney Secretary-Treasurer

DIRECTORS

G. Maxwell Bell
Ronald L. Cliff
Lawrence Dampier
Clayton B. Delbridge
John L. Farris, Q.C.
Bruce Hutchison
Stuart Keate
John MacD. Lecky
Richard S. Malone
Bruce L. Rudd
John W. Toogood
R. Howard Webster

EXECUTIVES OF THE VANCOUVER SUN

Stuart Keate Publisher
Bruce Hutchison Editorial Director
William T. Galt Managing Editor
Clifford MacKay Editorial Page Editor
John W. Toogood Advertising Director
John J. Rooney Business Manager
Frank Edwards Circulation Manager
J. A. McLellan Promotion Manager
Bruce L. Rudd Assistant to the Publisher

BANKERS

The Bank of Nova Scotia

AUDITORS

Price Waterhouse & Co.

SOLICITORS

Farris, Farris, Vaughan, Wills & Murphy

TRANSFER AGENTS AND EXECUTIVE OFFICES

Sun Publishing Company Limited
2250 Granville Street
Vancouver 9, B.C.

Sun Publishing Company Limited and Subsidiary Companies

RESULTS AT A GLANCE

	Year ended December 31	
	1971	1970
Income before Gain (loss) on sale of securities	\$ 2,614,810	\$ 1,661,159
Provision for Income Tax	160,000	155,500
Net Operating Income	2,454,810	1,505,659
Profit (Loss) on sale of securities (Net)	(52,053)	36,969
Net Income	\$ 2,402,757	\$ 1,542,628
Income per average share	3.20	2.06
Number of shareholders at year end	885	942
Shareholders' total investment (book value)	\$22,623,906	\$20,933,649
Shares of common stock outstanding	750,000	750,000
Book value per share of common stock	\$ 30.16	\$ 27.91

The Vancouver Sun:

Advertising Lineage	38,644,461	28,012,472
Circulation for period October - December	233,132	223,294
Newsprint consumed, Tons	37,710	25,817
Newsprint consumed, Value	\$ 5,613,210	\$ 3,691,805



REPORT TO THE SHAREHOLDERS

Your directors take pleasure in presenting the annual accounts of the Company and its subsidiaries, together with the Auditors' Report for the year ended December 31, 1971.

1971 net income of \$2,402,757 reflected an increase of \$860,129 from 1970. However, as we explained last year, earnings in 1970 from our equity in Pacific Press Limited were substantially reduced because of the three month shutdown of The Vancouver Sun and Province newspapers. 1971 earnings of the company were approximately \$229,250 less than in 1969, entirely due to abnormal gains on sales of securities (\$346,535) in that year.

Pacific Press Limited operating profits in 1971 were essentially the same as those of 1969. However, reductions in debenture interest charges and income tax rates in 1971 resulted in an increase in net profits of that company of approximately \$250,000 over 1969.

Increases in wages of about 9% effective November 1, 1971 and \$8.00 per ton for newsprint from November 15, 1971 will have a restraining effect on profits from this source in 1972.

The net income per share was \$3.20 in 1971 compared to \$2.06 in 1970, and \$3.50 in 1969.

The Vancouver Sun:

Annual comparisons between 1971 and 1970, as explained above, are not meaningful. However, advertising lineage has increased by approximately 4% in the two year period since 1969. The net paid average circulation at the time of writing is 235,688, up about 3.5% over last year at this time.

Investment Portfolio:

The book value of the Investment Portfolio at December 31, 1971 was \$2,008,680 higher than at December 31, 1970. The increase resulted from the redemption of \$1,000,000 Pacific Press debentures and the

investment of the undistributed earnings of the Company. Market values at December 31, 1971 were \$420,062, or 2.8% higher than cost.

California Properties:

Land values of properties in the desert area of California continue to be depressed. It is our intention to hold the properties for sale until the market strengthens. In the meantime holding costs are relatively insignificant.

Finance:

Annual dividends of \$1.00 on the "A" shares and 90c on the "B" shares have remained unchanged during 1971.

Personnel:

Your directors wish to express their appreciation to the management and staff of The Vancouver Sun for their contribution to the progress of the paper during this past year.

C. B. DELBRIDGE,
Chairman.

Sun Publishing Company Limited and Subsidiary Companies

CONSOLIDATED STATEMENT OF EARNINGS AND RETAINED EARNINGS

	Year ended December 31	
	1971	1970
Revenue:		
Income from Pacific Press Limited—		
Equity in net earnings for 1971 of which \$1,317,109		
(1970—\$624,000) was received by way of dividends		
(Note 2)	\$ 1,991,035	\$ 1,054,265
Debenture interest	41,250	82,500
	<u>2,032,285</u>	<u>1,136,765</u>
Dividend and interest income	653,415	595,535
Gain (loss) on sale of securities	(52,053)	36,969
	<u>2,633,647</u>	<u>1,769,269</u>
Expenses:		
Administrative expenses including directors' fees of		
\$16,000 (1970—\$19,500)	68,799	69,575
Loss on operations of California properties	2,091	1,566
	<u>70,890</u>	<u>71,141</u>
Earnings before income taxes	2,562,757	1,698,128
Income taxes	160,000	155,500
	<u>2,402,757</u>	<u>1,542,628</u>
Net earnings for the year (Note 3)		
	20,183,649	19,353,521
Retained earnings at beginning of year	22,586,406	20,896,149
	<u>22,586,406</u>	<u>20,896,149</u>
Deduct—		
Dividends:		
Class "A" shares—1 dollar per share	375,000	375,000
Class "B" shares—90 cents per share	337,500	337,500
	<u>712,500</u>	<u>712,500</u>
Retained earnings at end of year	<u>\$21,873,906</u>	<u>\$20,183,649</u>



CONSOLIDATED BALANCE SHEET

ASSETS

	December 31	
CURRENT ASSETS:	1971	1970
Cash	\$ 27,159	\$ 35,245
Marketable securities, at cost (quoted market value— \$15,125,574; 1970—\$12,372,333)	14,705,512	12,696,832
Accrued investment income receivable	107,781	115,499
Amounts maturing within one year on investments	14,188	20,604
Prepaid expenses	1,028	1,506
	<u>14,855,668</u>	<u>12,869,686</u>
INVESTMENTS AND OTHER ASSETS:		
In Canada—		
Pacific Press Limited (Note 2):		
Demand debenture	5,500,000	—
800,000 common shares	1,567,372	6,393,446
5½% redeemable debentures	—	1,000,000
	<u>7,067,372</u>	<u>7,393,446</u>
6% debenture receivable, less portion included in current assets	—	5,639
	<u>7,067,372</u>	<u>7,399,085</u>
In the United States (expressed in Canadian equivalent) (Note 1)—		
California properties, including net investment in syndicates of \$152,476, at cost	901,042	886,353
6% secured note, less portion included in current assets	2,787	11,246
Incorporation expenses	6,750	6,750
	<u>910,579</u>	<u>904,349</u>
	<u>\$22,833,619</u>	<u>\$21,173,120</u>

Signed on Behalf of the Board:

STUART KEATE, Director

B. L. RUDD, Director

Sun Publishing Company Limited and Subsidiary Companies

LIABILITIES

CURRENT LIABILITIES:

	December 31	
	1971	1970
Accounts payable and accrued liabilities	\$ 12,758	\$ 11,510
Dividends payable	178,125	178,125
Income taxes payable	18,830	49,836
	<u>209,713</u>	<u>239,471</u>

SHAREHOLDERS' EQUITY

SHARE CAPITAL:

Authorized—		
2,500,000 redeemable preference shares of \$1 each		
500,000 cumulative participating Class "A" common shares without nominal or par value, entitled to minimum preferential cash dividends of 50 cents per annum		
500,000 Class "B" common shares without nominal or par value		
Issued—		
375,000 Class "A" shares	375,000	375,000
375,000 Class "B" shares	375,000	375,000
	<u>750,000</u>	<u>750,000</u>

RETAINED EARNINGS

<u>21,873,906</u>	<u>20,183,649</u>
<u>22,623,906</u>	<u>20,933,649</u>

<u><u>\$22,833,619</u></u>	<u><u>\$21,173,120</u></u>
----------------------------	----------------------------



CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF WORKING CAPITAL

	Year ended December 31	
Source:	1971	1970
Earnings—		
Net earnings for the year	\$2,402,757	\$ 1,542,628
Less:		
Non-cash credit:		
Portion of net earnings in Pacific Press Limited which was not distributed by way of dividends (Note 2)	673,926	430,265
	<u>1,728,831</u>	<u>1,112,363</u>
Redemption of Pacific Press Limited		
5½ % redeemable debentures (Note 2)	1,000,000	500,000
Other items (net)	—	13,537
	<u>2,728,831</u>	<u>1,625,900</u>
Application:		
Dividends	712,500	712,500
Other items (net)	591	—
	<u>713,091</u>	<u>712,500</u>
	<u>2,015,740</u>	<u>913,400</u>
Increase in working capital		
	<u>12,630,215</u>	<u>11,716,815</u>
Working capital at beginning of year		
	<u>\$14,645,955</u>	<u>\$12,630,215</u>
Working capital at end of year		

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1971**

1. Principles of consolidation:

The consolidated financial statements include the financial statements of the company and all of its subsidiaries.

For purposes of inclusion in the financial statements, amounts in foreign currencies have been restated in Canadian dollars. Current assets and current liabilities have been translated at the rates prevailing on December 31, 1971, other assets and liabilities substantially at the rates at the date of the relevant transactions and amounts appearing in the statement of earnings at average rates.

2. Investment in Pacific Press Limited:

Sun Publishing Company Limited holds 50% of the issued shares of Pacific Press Limited, a company which acquired the newspapers "The Vancouver Sun" and "The Province" on June 14, 1957, the former from Sun Publishing Company Limited.

The company's investment in Pacific Press Limited is recorded by the equity method, whereby the carrying value reflects the original cost of \$800,000 of its holding of common shares and its share in the undistributed earnings of Pacific Press Limited since acquisition which amounted to \$5,593,446 at December 31, 1970. During 1971, the company

received a distribution of the earnings of Pacific Press Limited in the form of a stock dividend of \$5,500,000 payable in preferred shares in addition to the regular dividends of \$1,317,109 received during the year.

The shares were subsequently redeemed from the proceeds of a demand debenture which will bear interest from the date of demand. At December 31, 1971 the company's share in the undistributed earnings of Pacific Press Limited amounted to \$767,372. Accordingly, the net earnings include the company's full share of its equity in the net earnings of Pacific Press Limited for the year ended December 31, 1971.

The 5½% redeemable debentures of \$1,000,000 which were due in 1977 were redeemed during the current year.

3. Earnings per share:

Earnings per Class "A" share were \$3.25 in 1971 (\$2.11 in 1970) and earnings per Class "B" share were \$3.15 in 1971 (\$2.01 in 1970). Earnings per share for both classes of common shares are calculated in a manner which recognizes the differential in their rights to dividends.

AUDITORS' REPORT

To the Shareholders of
Sun Publishing Company Limited:

We have examined the consolidated balance sheet of Sun Publishing Company Limited and subsidiary companies as at December 31, 1971 and the consolidated statements of earnings and retained earnings and source and application of working capital for the year then ended. Our examination of the financial statements of the company and those subsidiaries of which we are the auditors included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have relied on the reports of other auditors who have examined the financial statements of United States subsidiary companies.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1971 and the results of their operations and the source and application of their working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PRICE WATERHOUSE & CO.
Chartered Accountants
Vancouver, B.C.
February 8, 1972



CENTENNIAL YEAR IN PICTURES — THE SUN



Salty air and sunshine of Vancouver harbor appear to delight royal seafarers, Prince Philip, Queen Elizabeth and Princess Anne aboard royal yacht Britannia May 3. Cluster of small craft waits to escort Britannia under Lions Gate Bridge.

Joyful bride, Prime Minister Pierre Elliott Trudeau's wife Margaret has eyes only for her husband at Capilano Golf and Country Club March 4. Super secret wedding at North Vancouver church caught Canadians by surprise.





Chief Dan George delivers soliloquy calling on British Columbians to live in love and peace. His stirring speech was highlight of The Day we Joined Confederation pageant at Empire Stadium July 20.



Number one son, four-day-old Justin Pierre brings proud smile to Mrs. Pierre Elliott Trudeau in Ottawa home Dec. 29. Picture was first to be released of Prime Minister's son born Christmas Day.



Hockey tip from veteran skater Alexei Kosygin delights Montreal Canadiens' captain Henri Richard outside Pacific Coliseum dressing room Oct. 22 during Russian premier's visit to Vancouver. Centre is Canucks general manager Bud Poile.



SOCIAL AUDIT - THE SUN

(These were the campaigns or projects for community betterment in which The Sun played a vigorous role in 1971.)

JAN. - FEB.

Sun brought international attention to problems inherent in bringing oil supertankers down the Pacific Coast from new Alaska oil fields and campaigned throughout the year for curbing the dangers of such passage and for new methods of environmental diplomacy.

MAR. - APR.

Sun initiative reopened inquest that left community muttering after off-duty RCMP constable was cleared after traffic accident that cost five lives. The full-dress inquest cleared public doubts of favoritism.

MAY

Exhaustive Sun research into telephone rates across Canada stands up through Department of Transport hearing and is credited by some with modifying phone bills for community.

JUNE

Sun helps co-ordinate mass appeal for Bangladesh refugees, and in on-spot coverage clearly forecasts warfare that followed.

JULY

Sun executives, with publisher Stuart Keate as Chairman, co-operated with the Centennial Commission to stage a pageant at Empire Stadium, honoring "The Day We Joined" Confederation.

AUGUST

Sun Salmon Derby attracted 4,000 boats and 10,000 rods to annual free fishing classic at Horseshoe Bay.

SEPT.

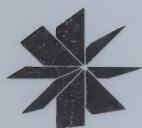
Survey revealed that 10,000 district youngsters had been awarded "Learn to Swim" certificates in Sun's free swim classes during the summer.

OCT.

"House of Hope", built with \$65,000 funds raised by The Sun, opened at Variety Farm for retarded children at Ladner.

NOV. - DEC.

Sun raised \$94,000 from readers to build hydrotherapy pool for crippled and handicapped children at Surrey Centre.



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